

1 UNITED STATES DISTRICT COURT

2 SOUTHERN DISTRICT OF OHIO

3 WESTERN DIVISION

6 DOUGLAS W. BAILLIE,

7 Plaintiff,

8 vs.

9 CHUBB & SON INSURANCE,

10 Defendant.

CASE NO.  
C-1-02-062

14 DEPOSITION OF: ANDREW BRYANT

15 TAKEN: By The Plaintiff

16 DATE: March 17, 2003

17 TIME: Commencing at 9:50 a.m.

18 PLACE: Offices of:  
19 Freking & Betz  
20 215 East Ninth Street  
21 Fifth Floor  
22 Cincinnati, Ohio 45202

23 BEFORE: Theresa Lynn Westfelt  
24 Court Reporter  
Notary Public - State of Ohio

# INDEX

2 ANDREW BRYANT PAGE  
3 CROSS-EXAMINATION BY MR. FREKING 4  
4 EXAMINATION BY MR. CROALL -

## EXHIBITS

7 (No Exhibits).

## CONFIDENTIAL EXCERPTS

11 Page 14 - 15

12 Page 23 - 26

13 Page 32 - 39

Page 2

## 1 APPEARANCES:

2 On behalf of the Plaintiff:

3 RANDOLPH H. FREKING, ESQ.  
4 of  
5 Freking & Betz  
6 215 East Ninth Street  
7 Fifth Floor  
8 Cincinnati, Ohio 45202

7 On behalf of the Defendant:

8 DAVID T. CROALL, ESQ.  
9 of  
10 Porter, Wright Morris & Arthur LLP  
11 250 East Fifth Street  
12 Suite 2200  
13 Cincinnati, Ohio 45202

## 13 STIPULATIONS

14 It is stipulated by and between counsel for

15 the respective parties that the deposition of ANDREW  
16 BRYANT, a witness herein, may be taken at this time by  
17 Counsel for the Plaintiff as upon cross-examination  
18 pursuant to the Federal Rules of Civil Procedure; that the  
19 deposition may be taken in stenotypy by the notary  
20 public-court reporter and transcribed by her out of the  
21 presence of the witness; that the transcribed deposition  
22 is to be submitted to the witness for his examination and  
23 signature, and that signature may be affixed out of the  
24 presence of the notary public-court reporter.

Page 4

1 ANDREW BRYANT

2 of lawful age, a witness herein, being first duly sworn as  
3 hereinafter certified, was examined and deposed as  
4 follows:

## 5 CROSS-EXAMINATION

6 BY MR FREKING:

7 Q. Hi, Andy. My name is Randy Freking and I  
8 represent Doug Baillie in a case that's currently pending  
9 in Federal District Court in Cincinnati against Chubb.  
10 And we're here today to conduct your deposition to find  
11 out what you may or may not know about matters that may or  
12 may not be relevant to his case.

13 Could you please start the deposition by  
14 simply stating your full name, your family status, your  
15 current home address, and your current telephone number?

16 A. Andrew Broaddus Bryant, B-R-O-A-D-D-U-S.  
17 Married. I live at 1231 Southbuckeye, one word, Lane,  
18 Goshen, G-O-S-H-E-N, Kentucky, 40026.

19 Q. I'm sorry, what city do you live in?

20 A. Goshen.

21 Q. Ohio?

22 A. Kentucky.

23 Q. Oh. And what's your home telephone number?

24 A. (502) 228-3254.

1 a large group, small group, medium size group, crispy

2 crust group?

3 A. Ten.

4 Q. Ten?

5 A. Ten, twelve.

6 Q. All right. How about -- and how would -- do

7 you recall anything -- what was Mr. Baillie's role with

8 respect to these marketing meetings? A fly on the wall?

9 Leader? Participant? Cocktail waitress?

10 A. Generally speaking, fly on the wall.

11 Q. Okay. Was that acceptable to you?

12 A. Yes.

13 Q. Do you recall any particular problems with

14 anything Mr. Baillie ever did during any of these monthly

15 marketing meetings that you can recall? Or did you

16 generally believe that he was fulfilling whatever role he

17 was supposed to fulfill?

18 A. Doug, in my mind, did not add much to the

19 meeting.

20 Q. And you thought that on a regular basis or

21 was that just an occasional fact?

22 A. More often.

23 Q. Okay. Did you expect him to add much to the

24 meetings?

1 A. Yes.

2 Q. Okay. What did you expect him to add?

3 A. A sense of direction for his overall goals,

4 communicate to my staff and myself continued direction of

5 the corporation, and guidance from his experience as a

6 manager.

7 Q. Did he ever express to you his view that he

8 thought the Louisville office was doing just fine and

9 didn't need his particular guidance?

10 A. Not that I recall.

11 Q. How were your performance reviews during

12 this period of time?

13 MR. CROALL: Designate as confidential, but

14 you can answer.

15 A. Elaborate. How do you mean?

16 Q. How were they? Were they okay? Acceptable?

17 Did you need improvement? Were they critical?

18 A. Oh.

19 Q. (Continued) Were they positive?

20 A. Overall, positive.

21 Q. Okay. Do you believe that in this

22 three-year period or so that you worked under the

23 supervision of Mr. Baillie that he had a general positive

24 view of your performance?

1 A. Overall.

2 Q. Okay. Do you recall any particular

3 constructive criticism Mr. Baillie had of your

4 performance?

5 A. He would have liked to see me go out more

6 with my agents.

7 Q. Okay.

8 A. (Continued) And overall, he had an idea he

9 would like me to better plan with my agents.

10 Q. Okay. Were you the direct supervisor of the

11 underwriting staff?

12 A. No.

13 Q. Who was?

14 A. The underwriting managers of the

15 underwriting staff.

16 Q. Okay. Would the underwriting managers

17 attend these monthly meetings?

18 A. Yes.

19 Q. Do you recall the names of the underwriting

20 managers?

21 A. Dieter, D-I-E-T-E-R, Korte, K-O-R-T-E.

22 Q. Okay. Anybody else?

23 A. Not consistently.

24 Q. What does that mean? Do you have

1 underwriting managers come and go?

2 A. Those were the primary underwriters we had

3 at the meeting, were the Package Underwriters who reported

4 to Dieter.

5 Q. Oh, that's what I meant. Were there any

6 other underwriting managers besides Dieter during this

7 period of time?

8 A. For package business, no.

9 Q. For any -- anybody in --

10 A. Yes.

11 Q. You said there were monthly meetings with

12 the underwriting staff --

13 A. David Corry.

14 Q. Okay.

15 A. (Continued) Andrew Emery. Tim Dadick.

16 Q. Did Mr. Baillie, that you can recall, in

17 your performance appraisals ever criticize your

18 performance in any way with respect to these monthly

19 marketing meetings?

20 A. No.

21 Q. Okay. Do you have an opinion as to what Mr.

22 Baillie believed about the performance of your marketing

23 while you were head of the Kentucky operations?

24 MR. CROALL: You're asking him of his

1 opinion of what Baillie thought?  
 2 MR. FREKING: Yes.  
 3 A. I have no idea, other than what I told you.  
 4 Q. Other than the constructive criticism you  
 5 received from Mr. Baillie regarding your performance with  
 6 vis-a-vis your agents?  
 7 A. Correct.  
 8 Q. Okay. Otherwise he thought you were doing  
 9 okay?  
 10 A. That would be my opinion.  
 11 Q. Yeah. Were these performance appraisals in  
 12 writing?  
 13 A. Yes.  
 14 Q. Okay. Were they done, like, on an annual  
 15 basis?  
 16 A. Yes.  
 17 Q. Do you think that the performance appraisals  
 18 you were given were timely?  
 19 A. Yes.  
 20 Q. Did you think they were fair and accurate?  
 21 A. Yes.  
 22 Q. What was your reaction to Mr. Baillie's  
 23 constructive criticism that you needed to go out more with  
 24 your agents? Did you agree or disagree with that?

1 of the Kentucky agents as a result of their performance?  
 2 A. Oh, you mean their business performance?  
 3 Q. Right.  
 4 A. Yes.  
 5 Q. And isn't it true that Mr. Baillie  
 6 recommended that you take action with respect to their  
 7 business performance?  
 8 A. Yes.  
 9 Q. And isn't that it fair to say that that was  
 10 one of Mr. Baillie's responsibilities?  
 11 A. Yes.  
 12 Q. Did you agree with Mr. Baillie's  
 13 recommendation to take particular action with respect to  
 14 Kentucky agents?  
 15 A. Yes.  
 16 Q. Why in your view was it necessary for Mr.  
 17 Baillie to make that recommendation? Meaning, why had you  
 18 not earlier taken action against these same Kentucky  
 19 agents that Mr. Baillie recommended that you take action  
 20 against?  
 21 A. I was not the state manager prior to that  
 22 point.  
 23 Q. You mean, prior to June of '98?  
 24 A. Correct.

1 A. Wasn't sure what he wanted to have  
 2 accomplished from those meetings.  
 3 Q. Well, didn't he tell you he wanted you to  
 4 have a better plan for your agents?  
 5 A. Those were different meetings.  
 6 Q. Okay. So when he -- when -- you were  
 7 confused when -- what he wanted as a result of you going  
 8 out more with your agents?  
 9 A. He wanted me to mix it up more, socialize  
 10 more.  
 11 Q. Okay. He wanted you to establish a better  
 12 relationship with your agents; is that a fair reading of  
 13 that comment?  
 14 A. That was what he was thinking, yes.  
 15 Q. Okay. Did you attempt to do that?  
 16 A. Yes, and Kentucky agents aren't big  
 17 socializers.  
 18 Q. Okay. Did you report back to Mr. Baillie  
 19 that you tried to do it but Kentucky agents were not big  
 20 socializers?  
 21 A. Yes.  
 22 Q. And what was his response to that?  
 23 A. I'm having a hard time recalling.  
 24 Q. Okay. Did you take any action against any

1 Q. So Mr. Baillie recommended that you take  
 2 action against these guys for their business performance  
 3 that occurred prior to June of '98?  
 4 A. I think his concerns were more during his  
 5 watch.  
 6 Q. Right. And during his watch the performance  
 7 of the Kentucky agents improved, as a general rule?  
 8 A. I'm not sure that's true.  
 9 Q. Did they get worse? Did the performance of  
 10 Kentucky agents get worse under Mr. Baillie's watch?  
 11 A. No, I can say that is not true.  
 12 Q. Okay. Do you think they stayed about the  
 13 same?  
 14 A. Overall.  
 15 Q. As a general rule, do you think that the  
 16 performance of the Kentucky agents under your supervision  
 17 was acceptable during the time period that Mr. Baillie was  
 18 over you?  
 19 A. Overall.  
 20 Q. Okay. What was your reaction when Mr.  
 21 Baillie gave you the constructive criticism that you  
 22 should have a better plan with your agents?  
 23 A. Confusion, and that it was never consistent  
 24 in what he was looking for in those plans.

1 Q. Okay. Explain to me the inconsistencies, if  
2 you recall.  
3 A. Different points he wanted more of a  
4 numerical plan.  
5 Q. Meaning -- meaning what?  
6 A. Set number of goals.  
7 Q. Okay.  
8 A. (Continued) To other times it would be more  
9 verbal and the antidotal type planning.  
10 Q. Did Mr. Baillie go back and forth between  
11 these ideas or did he switch from one to the other during  
12 his reign?  
13 A. It seemed to switch around. I could not  
14 tell you if it was back and forth.  
15 Q. Okay. Did you complain to him about that?  
16 A. Yes.  
17 Q. And what was Mr. Baillie's reaction?  
18 A. That he wanted what he wanted.  
19 Q. Okay. Did you do what he wanted you to do?  
20 A. I attempted to do so.  
21 Q. Okay. Did you have success doing so?  
22 A. Sometimes.  
23 Q. And why -- on the occasions when you did not  
24 have success, to what do you contribute that?

Page 22

1 A. That he wanted a different type of plan.  
2 Q. Have you ever conveyed these disagreements  
3 with Mr. Baillie to anyone at Chubb, that you can recall,  
4 other than counsel in preparing for this deposition? Even  
5 -- maybe you didn't, I'm just saying anything you told Mr.  
6 Croall would be off limits here.  
7 A. Diane Haggard, Human Resources Manager.  
8 Q. Okay. Tell me what you believe you  
9 discussed with Ms. Haggard?  
10 A. That I was frustrated, Doug was not  
11 communicating to me what he wanted. As a result, I felt  
12 like I was constantly re-inventing the wheel on these  
13 plans.  
14 Q. Do you think you discussed this on one  
15 occasion or more occasions than one with Ms. Haggard?  
16 A. More than one.  
17 Q. Okay.  
18 A. (Continued) But not a great number of  
19 times.  
20 Q. Two, three or four?  
21 A. Two, three, four.  
22 Q. Okay. Do you recall when any of these  
23 conversations with Ms. Haggard would have occurred? '98?  
24 '99? 2000? 2001?

1 A. 2000, 2001.  
2 Q. Do you think all of them occurred in that  
3 time frame?  
4 A. Yes.  
5 Q. Were these conversation with Ms. Haggard  
6 generally in person or over the telephone?  
7 A. Telephone.  
8 Q. Were any of them in person?  
9 A. Not that I recall.  
10 Q. Okay. Did you express the same frustration  
11 to Mr. Baillie before you expressed it to Ms. Haggard?  
12 A. Yes.  
13 Q. And Mr. Baillie told you just to do what he  
14 was saying to do?  
15 A. Yes.  
16 Q. Now, how would you -- how was the  
17 performance of your -- of the Kentucky -- your Kentucky  
18 group measured by the company?  
19 A. Growth and profit.  
20 Q. Okay. And what do you mean by "growth"?  
21 A. Written premium.  
22 Q. Okay. And what is -- for example, what's  
23 the current level of written premium?  
24 MR. CROALL: Designate as confidential.

Page 24

1 A. \$48,000,000.  
2 Q. And how about the level of profit?  
3 MR. FREKING: We'll designate this as  
4 confidential, as well.  
5 A. Prior year, approximately \$65,000,000 -- 65  
6 percent prior to expenses.  
7 Q. You mean 65 percent of the \$48,000,000?  
8 A. Yes.  
9 Q. Prior to expenses, wouldn't it be 100  
10 percent before expenses?  
11 A. Losses.  
12 Q. 65 --  
13 A. (Continued) I understood you were asking  
14 about losses.  
15 Q. I was asking about profit. What was the --  
16 did you say last year's profit was 65 percent of  
17 \$48,000,000 prior to expenses?  
18 A. Last year we did not make a profit.  
19 Q. Meaning 2002?  
20 A. Correct.  
21 Q. Okay. And when you say no profit, you mean  
22 after expenses, after payment of losses --  
23 A. After losses and expenses.  
24 Q. Okay. And when you say no profit, does that

1 A. The buck moves around a lot. I'd say the  
2 first firm resting place would certainly be my plate, then  
3 Doug's plate.  
4 Q. Okay. Did you ever have discussions with  
5 Mr. Baillie about the fact that the financial results in  
6 your territory that belonged on your plate were improving?  
7 A. Yes.  
8 Q. Did Mr. Baillie have any particular  
9 reaction? Did he think that was good news? Did he think  
10 this was bad news?  
11 A. He thought that was good news.  
12 Q. Okay. Did he ever express to you, you know,  
13 compliments in that regard?  
14 A. On the profit piece, no.  
15 Q. How about on the premium piece?  
16 A. When it grew, yes.  
17 Q. Okay. Did it decline at some point?  
18 A. Pardon?  
19 Q. Did it decline ever?  
20 A. As part of that profit improvement piece, it  
21 certainly declined.  
22 Q. Okay. And what do you recall Mr. Baillie  
23 saying to you on those occasions?  
24 A. He would be frustrated.

Page 46

1 Q. Okay. And was that a reaction you would  
2 have expected?  
3 A. No.  
4 Q. What kind of reaction -- was that reaction  
5 by Mr. Baillie frustration of the premium decreasing?  
6 A. Correct.  
7 Q. Did his frustration surprise -- it did not  
8 surprise you?  
9 A. It surprised me in that the focus at that  
10 point, I felt, was more profit improvement than premium  
11 growth.  
12 Q. Okay. Did you ever express your frustration  
13 on that subject to anyone?  
14 A. Yes.  
15 Q. To who?  
16 A. Dieter, Diane.  
17 Q. What do recall expressing to Dieter along  
18 those lines?  
19 A. That we need to improve the profit before we  
20 can make it bigger.  
21 Q. "We need to improve the profit before we can  
22 make it bigger"?  
23 A. We need to make the book of business more  
24 profitable before we can grow upon it, otherwise we're

1 growing -- just growing in a nonprofitable book.  
2 Q. Right. Isn't it true that Mr. Baillie had  
3 two objectives in mind; he wanted profit to grow and he  
4 also want written premiums to grow?  
5 A. I would say Doug focused on growth a lot  
6 more than written premium profit. My perception was  
7 always more focused on the top number versus the bottom  
8 number.  
9 Q. Okay. You do not think that Mr. Baillie had  
10 a goal of increasing profit?  
11 A. I think Doug thought it would just happen if  
12 you grew the book enough.  
13 Q. Okay. Well, regardless of the reason for  
14 it, you would agree with me that he wanted profit to grow?  
15 A. Yes.  
16 Q. Okay. And he wanted premiums to grow?  
17 A. Yes.  
18 Q. And he would express frustration to you when  
19 profit would grow, but premiums were not growing?  
20 A. No.  
21 Q. I thought you told me profit did grow?  
22 A. Doug focused on growth. Profit was  
23 something -- my perception was Doug's feeling was profit  
24 was something that just happened and that our job was to

Page 48

1 focus on just making it bigger, the premium volume.  
2 Q. Uh-huh. And he was not happy with the level  
3 of your premium volume?  
4 A. He was frustrated.  
5 Q. Right. And he expressed that to you?  
6 A. Yes.  
7 Q. And that did not surprise you, right,  
8 because one of your jobs was to make the premium grow in  
9 the Kentucky territory?  
10 A. At the time -- at times where that was  
11 expressed, it did surprise me in that there was a reality  
12 of business we had to get off of to ultimately make it  
13 more profitable that was going to be -- economic reality  
14 was we would not grow given the amount of business we had  
15 to get off of for underwriting reasons.  
16 Q. You had to get rid of some bad business?  
17 A. Correct.  
18 Q. Right. And Mr. Baillie wanted you to get  
19 rid of that bad business?  
20 A. Mr. Baillie, in my mind, was more focused on  
21 adding business then culling business.  
22 Q. Wasn't it true that Mr. Baillie wanted you  
23 to do between 1998 and 2001 what you've been able to do in  
24 2002, which is get new business?